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SUBJECT: Once a Leader, Philippine Education Falls Behind

¶1. (SBU) Summary: The quality of education has deteriorated across the Philippines. Inadequate budgets, supply shortages, meagerly paid and poorly educated teachers, and lagging enrollments are producing results that may jeopardize Philippine economic competitiveness and lock Filipinos into poverty. Rapid population growth and rising food and oil prices are intensifying these challenges. International education indicators identified by the Education for All and Millennium Development Goals show that the Philippines significantly lags behind its neighbors. Recent policy initiatives and a larger budget are slowly bearing fruit, but may not be enough to turn around an already decrepit education system. End summary.

#### Background

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¶2. (SBU) Filipinos are keenly aware of the benefits of a quality education. Soon after the Treaty of Paris transferred control of the Philippines from Spain to the United States in 1898, nearly 1000 American volunteer teachers came to the Philippines on the U.S.S. Sheridan and the U.S.S. Thomas. These "Thomasites" opened neighborhood schools throughout the country, teaching a variety of subjects. They were able to instill in Filipinos an appreciation for the value of education. In 1946, when the Philippines became an independent nation, the new government placed great emphasis on education, with excellent results.

¶3. (SBU) The current declining state of education reflects years of neglect and the inability of appropriations to the sector to keep up with the growing number of children. The proportion of the national government budget spent on education has varied from a high of 31.53% in 1957-- when the Philippines had one of the best educational systems in the region-- to a low of 7.61% in 1981. Former President Corazon Aquino pumped up the budget to 15.5% in 1987 and instituted progressive education reforms. The National Education Expenditure Accounts reports that the sector reached 20.6% of the national government budget in 1997, but dropped again in 2001 to 17.4%, and down to only 12% today.

#### International Comparisons

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¶4. (SBU) The 2008 World Competitiveness Yearbook ranked the Philippines 52nd out of 55 industrialized and emerging nations in education quality. It ranked 54th in secondary school enrollment, and spent the second lowest percentage of public expenditure on education. A recent UNESCO report ranked the Philippines 74th in its Education Development Index, falling below Mongolia, 61st; Vietnam, 65th; Indonesia, 58th; and China, 38th. Only 2.3% of the Philippines' GDP is allocated for education, while international standards urge that at least 6% of GDP is devoted to education spending.

#### The Problem with Boys

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15. (SBU) Gender parity remains a challenge; males are under-enrolled at both the elementary and high school levels. According to UNESCO, Filipino boys are more likely to repeat grades, leave school at a younger age, enroll in shorter, less academic, secondary programs, and face pressure to earn money for their family as laborers. [Note: Child welfare experts told Embassy officers that the vast majority of abandoned Filipino children are male because females are considered more likely to care for their parents in old age. End note.]

#### The Current System

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16. (SBU) Philippine public education has only ten years before college; six years of elementary and four years of high school. Philippine Department of Education Director for Programming and Planning, told Embassy officers that the short cycle is partly to blame for poor student performance and that the Philippines is among few countries on a 10-year cycle. The cycle is also problematic because Philippine curriculum is based on U.S. standards with a 12-year school cycle.

#### Budget Increase and Policy Changes Show Some Results

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17. (SBU) The Philippine government education budget increased by \$3.13 billion to \$3.40 billion in 2007. The additional funds targeted building and rehabilitating classrooms, increasing teacher supply, and increasing the quality of texts and supplies. In 2007, 14,655 new classrooms were built and 10,583 repaired. A four-step evaluation procedure was adopted to ensure that books were both factually and conceptually correct. As a result of these changes

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and a new procurement model for books, the cost of textbooks has dropped from about \$3 in 1998 to \$0.70 today. The Philippines receives funds for education from the private sector and non-government partners of the Adopt-a-School Program. Other major grants and budgetary support loans come from the World Bank, The Japan Bank for International Cooperation, Asian Development Bank, Australian Overseas Aid Program, USAID, United Nations Children's Fund, United Nations Education Scientific, and Cultural Organization, and the governments of Spain and Korea.

#### Education challenges

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18. (SBU) Attracting qualified teachers is a major challenge; 16,390 additional teaching positions in public schools were created in 2007, but many remain vacant due to the lack of qualified teachers and low wages. According to Philippine Institute for Development Studies, the number of Bachelor of Science in Education graduates, one of the main routes to becoming a teacher, is declining. According to Philippine Education officials, a basic teacher's salary starts at about \$205 to \$250 USD per month, which is barely enough to support an individual, let alone support a family. In addition, many teachers must personally provide classroom supplies such as chalk.

19. (SBU) The National Statistical Coordination Board reports the average net enrollment ratio at the elementary level has been declining for years. The Department of Education is expanding its Preschool Education Program to combat drop out rates and is addressing malnutrition and poverty through the School Feeding Program/Food for Schools Program, which provides elementary children with rice and other foods for 120 days while in school. According to the Department, these two programs were major determinant of the 5% increase in school attendance in 2007.

#### Comment

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110. (SBU) The combination of rapid population growth, a poorly performing economy, and a failing education system is increasing the number of Filipino citizens poorly prepared to enter the skilled workforce. While education may still be a path out of poverty, many

poor Filipinos today do not have the opportunity for a good education, and the limited supply of those that do receive a quality education is often wickered away by higher paying job opportunities overseas. Increased emphasis on educational reform will be essential to enabling the Philippines to maintain its economic competitiveness and current standards of living.

#KENNEY